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September 18, 2001



**VIA HAND DELIVERY**

Magalie Roman Salas, Esq.
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: Petition of Cox Virginia Telcom, Inc. for Arbitration of an Interconnection Agreement with Verizon Virginia Inc.
CC Docket No. 00-249

Dear Ms. Salas:

I am transmitting to you herewith an amendment to Cox Virginia Telcom's Petition for Arbitration in the above-referenced proceeding. The amendment consists of four parts: (1) a restatement of Issue I-5; (2) a corrected version of Issue I-7; (3) an updated Statement of Relevant Authority supporting Cox's position on Issue I-5; and (4) an amended Unresolved Issues List reflecting the post *ISP-Bound Traffic Order* state of the Parties' negotiation regarding Issue I-5. Each part of the amendment is prepared as an insert to the prior document to facilitate easy replacement of the amended sections. Cox also will submit new copies of the amended Petition in complete form if the Commission so requests.

Please inform me if any questions should arise in connection with this matter.

Respectfully submitted,

J.G. Harrington

Counsel to Cox Virginia Telcom, Inc.

JGH/vll
Enclosure

cc: Dorothy Attwood (8 copies)
John Stanley
Jeffrey Dygert
Katherine Farroba
Richard Gary

Before the

# FEDERAL COMMUNICATIONS COMMISSION

Washington, D.C. 20554



| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| Petition of Cox Virginia Telcom, Inc. | ) | |
| Pursuant to Section 252(e)(5) of the | ) | CC Docket No. 00-249 |
| Communications Act for Preemption | ) | |
| of the Jurisdiction of the Virginia State | ) | |
| Corporation Commission Regarding | ) | |
| Interconnection Disputes with Verizon | ) | |
| -Virginia, Inc. and for Arbitration | ) | |

## AMENDMENT TO PETITION FOR ARBITRATION OF COX VIRGINIA TELCOM, INC.

COX VIRGINIA TELCOM, INC.

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September 18, 2001

## INTRODUCTION

Cox Virginia Telcom, Inc. ("Cox"), by counsel, and pursuant to the *Procedures Established for Arbitration of Interconnection Agreements Between Verizon Virginia and AT&T, Cox and WorldCom*, CC Docket Nos. 00-218, 00-249, 00-251, DA 01-270, Public Notice (CCB rel. February 1, 2001), hereby amends its Petition for Arbitration of Cox Virginia Telcom, Inc. in response to changes in this proceeding arising from the FCC's release of its *ISP-Bound Traffic Order*[1] and to correct portions of its discussion of Issue I-7.

This amendment consists of four parts: (1) a restatement of Issue I-5; (2) a corrected version of Issue I-7; (3) an updated Statement of Relevant Authority supporting Cox's position on Issue I-5; and (4) an amended Unresolved Issues List reflecting the post *ISP-Bound Traffic Order* state of the Parties' negotiation regarding Issue I-5. For the convenience of the Commission, each part of the amendment is formatted so that it can replace the text of Cox's initial Petition. For this reason, the text of the amended portions of the Petition includes text of other sections that are not amended.

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[1] Implementation of the Local Competition Provisions in the Telecommunications Act of 1996: Intercarrier Compensation for ISP-Bound Traffic, *Order On Remand And Report And Order*, CC Docket Nos. 96-98 7 99-68, FCC 01-131 (rel. April 27, 2001) ("*ISP-Bound Traffic Order*").

## I. Amended Issue I-5

(This insert replaces pages 14 and 15 of Cox's Petition for Arbitration)

due to the magnitude of its facilities. As a far smaller carrier, Cox is unable to achieve the lower costs and efficiencies that attend VZ-VA's ubiquitous operations. The significantly higher costs experienced by Cox in deploying its network must be taken into account when setting the traffic volumes that will trigger an obligation on Cox to build or acquire facilities connecting Cox's switches and VZ-VA's end offices. Cox and most carriers ordinarily construct or acquire facilities packaged at the DS-3 level (28 DS-1s or 672 voice channels), which is when the volume of traffic justifies engineering a direct end-office interconnection. It would be highly wasteful to devote such facilities to carrying only one DS-1 level of traffic, as proposed by VZ-VA.

Therefore, Cox requests that the Commission reject VZ-VA's proposal for restricting tandem traffic. Instead, if the Commission concludes that a trigger of some sort is required, it should establish a minimum of three DS-1s as the threshold for compulsory direct end-office trunking. The Commission should approve the contract language proposed by Cox at Section 4 of the Statement of Unresolved Issues (Exhibit 1).

*GENERAL PRINCIPLES:*

- *CLECs cannot be compelled under the Act to interconnect at ILEC end offices.*
- *A CLEC may voluntarily agree to direct end office trunking under specified circumstances as an accommodation, but it retains the right to choose any technically feasible point of interconnection, including a single POI per LATA.*

I.5. VZ-VA MAY NOT REFUSE TO INCLUDE IN THE AGREEMENT AN ADEQUATE DESCRIPTION OF THE RATES, TERMS AND CONDITIONS APPLICABLE TO THE PARTIES' IMPLEMENTATION OF THE FCC'S *ISP ORDER,* INCLUDING PROVISIONS ADDRESSING THE FOLLOWING QUESTIONS:

**COMMON ISSUE**

The Commission's recent *ISP-Bound Traffic Order*[2] should be expressly incorporated into the reciprocal compensation-related provisions of the parties' interconnection agreement. To do so, the interconnection agreement must include five elements: (1) specific terms governing the parties' rights in the event that the *ISP-Bound Traffic Order* is overturned either before or after it goes into effect; (2) specific terms implementing the rate limitations promulgated by the Commission in the *ISP-Bound Traffic Order*; (3) specific terms to guide development of the mechanism used by the parties in calculating the 3:1 originating to terminating traffic to determine what is and what is not Internet-bound traffic; (4) specific terms implementing the reciprocal compensation growth cap adopted in the order; and (5) specific definitional terms that recognize, but do not distort, the meaning and intent of the *ISP-Bound Traffic Order.*

VZ-VA maintains that the *ISP-Bound Traffic Order* is self-executing, but it nevertheless has proposed its own contract terms. Some of these terms are not called for by the order or are inconsistent with it. As shown below, the *ISP-Bound Traffic Order* is not self-executing. Even if it were, however, it would be far better to address the effects of the *ISP-Remand Order* on the parties' agreement now, when any disagreements or disputes as to the order's meaning can be

[2] Implementation of the Local Competition Provisions in the Telecommunications Act of 1996: Intercarrier Compensation for ISP-Bound Traffic, *Order On Remand And Report And Order*, CC Docket Nos. 96-98 7 99-68, FCC 01-131 (rel. April 27, 2001) ("*ISP-Bound Traffic Order*").

discussed and resolved, rather than at some future date. It is, therefore, necessary to integrate the terms of the *ISP-Bound Traffic Order* into the parties' interconnection agreement in the manner that Cox recommends. Each of the provisions necessary to do so is treated herein as a separate sub-issue consistent with the format adopted by the parties in for the Revised Joint Decision Point List, filed July 27, 2001 ("RJDPL"), and followed in the Amended Exhibit 1 submitted herewith.

1.5(a) WHAT PROVISIONS SHOULD THE PARTIES MAKE FOR CHANGES IN THE REQUIREMENTS OF THE ISP ORDER THROUGH APPEAL, RECONSIDERATION OR OTHER LEGAL OR REGULATORY ACTION?

Cox proposes that the parties adopt a specific term stating that, if the *ISP-Bound Traffic Order* is overturned through any administrative or judicial process, the parties will retain all rights and remedies, including the right to amend, alter or revise the interconnection agreement. Such a term would both clarify the parties' obligations and properly delineate the effective scope of the *ISP-Bound Traffic Order*. VZ-VA's position is that the change of law provisions of the contract adopted elsewhere should govern any change of law regarding intercarrier compensation for ISP-bound traffic.

VZ-VA's position is inadequate because the ISP-bound traffic issue is different from the types of issues to which traditional "change of law" provisions generally apply. The *ISP-Bound Traffic Order* currently is subject to administrative and judicial review that could, by either invalidating the order or remanding it for alteration, drastically change the bargaining positions of the parties. If the *ISP-Remand Order* is invalidated in an administrative or judicial appeal or if changes are mandated, the parties will return to the pre-order *status quo*. As the Commission knows, that *status quo* involved widespread disagreement over compensation for ISP-Bound

traffic. If that occurs, the parties should not be bound to agreements made in reliance on the enforceability of the *ISP-Remand Order*.

The Commission should allow the Parties the flexibility to immediately alter their relationship if the *ISP-Bound Traffic Order* is overturned. Therefore, the Commission should approve the contract language proposed by Cox and contained in Exhibit 1.

I.5(b) SHOULD THE SPECIFIC RATES OF COMPENSATION FOR ISP-BOUND TRAFFIC PAID BY THE PARTIES DURING THE TERM OF THE RENEWAL AGREEMENT BE ZERO, A RATE EQUAL TO THE CAP OR A RATE SOMEWHERE IN BETWEEN ZERO AND THE CAP?

The *ISP-Bound Traffic Order* does not establish rates that the parties to interconnection agreements will pay for reciprocal compensation; it merely sets caps on the rates that can be charged for handling such traffic. It is necessary, therefore, to specify the actual rates to be paid. Cox's proposed contract terms do so and apply rates equal to the caps in the *ISP-Bound Traffic Order*. VZ-VA does not address this issue and has been unwilling to negotiate it with Cox. VZ-VA has taken this position even though it has included specific rates in its template agreement in at least one other state.

I.5(c) WHAT MECHANISM SHOULD BE USED BY THE PARTIES IN CALCULATING THE AMOUNT OF TRAFFIC IN EXCESS OF THE 3:1 RATIO; WHAT DATA SHOULD BE EXCHANGED BY THE PARTIES FOR USE IN MAKING THIS CALCULATION; WHAT TIME PERIODS SHOULD THESE DATA COVER; AND WHEN SHOULD ANY SUCH DATA EXCHANGE TAKE PLACE?

The *ISP-Bound Traffic Order* adopts a 3:1 ratio for differentiating between ISP-bound traffic and other traffic, but does not suggest a mechanism for use by the carriers exchanging traffic in determining whether this threshold has been met. Cox's position is that the agreement should both adopt the 3:1 ratio and the growth caps contained in the *ISP-Bound Traffic Order*, and stipulate the methods that will be used to make the reciprocal traffic calculations. VZ-VA's position is that the *ISP-Bound Traffic Order* is self-executing, and that the interconnection

agreement requires no more than a reference to the Order. Further, VZ-VA has proposed in negotiations with Cox and in response to Cox discovery regarding this issue that terms affecting the treatment of ISP-bound traffic should be specifically excluded from the agreement. Cox disagrees: memorializing the terms under which the parties will exchange traffic in the interconnection agreement is more reasonable than requiring the parties to look to multiple documents to decide what rights they might have.

More importantly, the *ISP-Bound Traffic Order* also does not suggest any mechanisms for determining the actual traffic levels that are used in calculating the 3:1 ratio. The Commission did not need to include such a mechanism in the *ISP-Bound Traffic Order*, because it involves the practices under which parties exchange data and bill each other and these practices vary by party. It is left to interconnecting carriers, such as Cox and VZ-VA, to determine what procedures will be effective and efficient in view of their data exchange and billing practices. Understanding that the parties' data collection and billing systems and processes are complex and that extensive collaboration among their subject matter experts may be required to design a mechanism that accommodates such complex systems, Cox has proposed language that requires the parties to negotiate an agreement within 90 days of the effective date of the parties' interconnection agreement, covering each party's tasks and obligations for calculation of the reciprocal compensation ratio. Further, Cox proposes that the parties development of such an agreement be governed by certain enumerated principles. VZ-VA, on the other hand, has proposed vague contract language that simply cites to certain paragraphs of the *ISP-Remand Order* for the method of calculating Internet traffic. VZ-VA's proposal is inadequate to deal with an issue as complex as intercompany billing and data exchange and as

historically contentious as reciprocal compensation. Therefore, the Commission should adopt to contract language proposed by Cox as provided in Exhibit 1.

Finally, the interconnection agreement proposed by both parties includes an agreed-to mechanism by which either party may request an audit of the other's billing data in order to substantiate the accuracy of that party's billing information. Such audits (as many as two per calendar year) may be used to validate a party's declarations regarding the 'percent local usage' associated with the non-toll traffic sent to the other, or, in the case of ISP-bound traffic, to verify that the amount of traffic identified as 'Internet Traffic' was accurately calculated. Nonetheless, Verizon has proposed to add to the agreement terms that give Verizon — and only Verizon — additional unlimited audit rights. Interestingly, while Verizon has refused to negotiate or include in the agreement a mechanism by which the parties might accurately calculate the 3:1 ratio, it is adamant that it be permitted expansive audit rights to verify the accuracy of that calculation. The agreed-to audit rights included in section 5.7.5 are adequate and fair and provide *both* parties sufficient opportunity to verify the accuracy of the other party's billing and billing declarations.

I.5(d) SHOULD SPECIFIC TERMS BE ADOPTED TO GOVERN THE IMPLEMENTATION OF THE GROWTH CAPS ON COMPENSABLE ISP-BOUND TRAFFIC, INCORPORATING AN ACTUAL NUMBER BASED ON THE PARTIES' TRAFFIC FOR THE FIRST QUARTER OF 2001, AND SHOULD THAT CAP BE APPLIED ON AN ANNUAL BASIS?

The *ISP-Bound Traffic Order* also adopts growth caps on compensable ISP-bound traffic. The parties' positions regarding the adoption of contract language to implement these portions of the *ISP-Bound Traffic Order* closely mirror the parties' positions on the implementing language for the 3:1 ratio of terminating to originating traffic (Issue I-5(c)). For the reasons set out above, the Commission should adopt Cox's specific implementing language set forth in Exhibit 1, and

reject VZ-VA's contention that the self-executing nature of the *ISP-Bound Traffic Order* makes such language superfluous.

I.5(c) WHAT DEFINITIONS ARE NEEDED TO IMPLEMENT THE ISP ORDER?

Both Cox and VZ-VA propose definitional terms that are intended to implement the provisions of the *ISP-Bound Traffic Order*. However, VZ-VA' proposals do not carry out the Commission's intent in adopting the *ISP-Bound Traffic Order*. Definitions should be added to the agreement only to give effect to the requirements of the *ISP-Bound Traffic Order*. Several of VZ-VA's proposed definitions go beyond the requirements of the *ISP-Bound Traffic Order*. In particular, VZ-VA would define the term "Internet Traffic" to include any traffic that touches the Internet, and then use that term in ways that depart widely from the Order's use of the term "ISP-bound traffic."[3] If the definition and usage of this term proposed by VZ-VA is adopted, it could have long-range and indeterminate effects on the parties' rights and obligations. For instance, Verizon's use of its proposed definition of Internet Traffic would expand the type of traffic covered by the definition to include, for example, phone-to-phone IP telephony. It also would appear to exclude any traffic that uses the (public or private) Internet as an intermediate link for transmission purposes.

Cox has proposed clear and concise definitions that implement the letter and the spirit of the *ISP-Bound Traffic Order*. For example, Cox's proposed definition of "Internet Traffic" both references the *ISP-Bound Traffic Order* and provides the general definition "telecommunications traffic delivered to Internet Service Providers." Similarly, Cox's proposed definition of "Local

[3] This issue was one of the subjects of Cox's Motion to Strike in this proceeding, which the Commission granted to the extent that VZ-VA used the term "Internet Traffic" other than to define "Measured Internet Traffic." Cox requested that VZ-VA modify its proposed language to

*continued...*

Traffic" incorporates both a reference to the use of the term in the *ISP-Bound Traffic Order* and the FCC's use of the term "251(b)(5) traffic." Cox's definitions promote clarity and ensure understanding. Moreover, they do not have any effect on other agreed-to terms of the interconnection agreement. Therefore, the Commission should adopt Cox's proposed language as provided in Exhibit 1.

*General Principles*

- *The Parties' agreement should specifically incorporate the provisions of the ISP-Bound Traffic Order.*

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*...continued*

implement this ruling, and in response VZ-VA stated that it sees no reason for such a modification.

## II. Amended Statement of Relevant Authority for Issue I-5

(This insert replaces pages 7-9 of the initial statement of Relevant Authority)

interconnection based on its own determination of what will best enhance its own operational efficiency. *Id.* at 15608.

With respect to state law, in *Commonwealth of Virginia, ex rel., State Corporation Commission, Ex Parte: To determine prices Bell Atlantic-Virginia, Inc. is authorized to charge Competitive Local Exchange Carriers in accordance with the Telecommunications Act of 1996 and applicable state law,* 1999 S.C.C. Ann. Rept. 225 (Case No. PUC970005, April 15, 1999), the VSCC prescribed prices to be paid by CLECs terminating their customers' traffic at VZ-VA offices. CLEC traffic terminated by delivery to a VZ-VA tandem is priced at nearly 50% more per minute than traffic delivered directly to an end office. This pricing differential not only compensates VZ-VA for use of its tandem, but also gives CLECs an economic incentive to deliver traffic directly to an end office if traffic volumes are significant.

I.5. VERIZON MAY NOT REFUSE TO INCLUDE IN THE AGREEMENT AN ADEQUATE DESCRIPTION OF THE RATES, TERMS AND CONDITIONS APPLICABLE TO THE PARTIES' IMPLEMENTATION OF THE FCC'S *ISP ORDER*, INCLUDING PROVISIONS ADDRESSING THE FOLLOWING QUESTIONS:

(a) WHAT PROVISIONS SHOULD THE PARTIES MAKE FOR CHANGES IN THE REQUIREMENTS OF THE ISP ORDER THROUGH APPEAL, RECONSIDERATION OR OTHER LEGAL OR REGULATORY ACTION?

(b) SHOULD THE SPECIFIC RATES OF COMPENSATION FOR ISP-BOUND TRAFFIC PAID BY THE PARTIES DURING THE TERM OF THE RENEWAL AGREEMENT BE ZERO, A RATE EQUAL TO THE CAP OR A RATE SOMEWHERE IN BETWEEN ZERO AND THE CAP?

(c) WHAT MECHANISM SHOULD BE USED BY THE PARTIES IN CALCULATING THE AMOUNT OF TRAFFIC IN EXCESS OF THE 3:1 RATIO; WHAT DATA SHOULD BE EXCHANGED BY THE PARTIES FOR USE IN MAKING THIS CALCULATION; WHAT TIME PERIODS SHOULD THESE DATA COVER; AND WHEN SHOULD ANY SUCH DATA EXCHANGE TAKE PLACE?

(d) SHOULD SPECIFIC TERMS BE ADOPTED TO GOVERN THE IMPLEMENTATION OF THE GROWTH CAPS ON COMPENSABLE ISP-BOUND TRAFFIC, INCORPORATING AN ACTUAL NUMBER BASED ON THE PARTIES' TRAFFIC FOR THE FIRST QUARTER OF 2001, AND SHOULD THAT CAP BE APPLIED ON AN ANNUAL BASIS?

(e) WHAT DEFINITIONS ARE NEEDED TO IMPLEMENT THE ISP ORDER?

*Other pending proceedings:*

Two complaints concerning reciprocal compensation for ISP-bound traffic under existing interconnection agreements are pending at the Commission. These matters are Starpower Communications, LLC v. Verizon South, Inc., File No. EB-00-MD-019, and Cox Telcom Virginia, Inc. v. Verizon South, Inc., File No. EB-01-MD-006.

*Relevant authority:*

Under section 251(b)(5) of the Act and sections 51.701(b) and 51.703(a) of the Commission's rules, local exchange carriers are required to pay reciprocal compensation for all local calls terminated by other carriers. 47 U.S.C. § 251(b)(5); 47 C.F.R. §§ 51.701(b), 51.703(a). Nearly 20 years ago, when it adopted the ESP exemption, the Commission held that all enhanced services providers, a category that includes ISPs, should be treated as local business customers for purposes of cost recovery, and the Commission has affirmed the ESP exemption on several occasions.[4] Prior to April of this year, under the ESP exemption, calls to ISPs located within a local calling area were generally treated as local calls for purposes of reciprocal compensation.[5]

On April 27, after this proceeding had commenced, the Commission released the *ISP-Bound Traffic Order*.[6] The *ISP-Bound Traffic Order* significantly alters the ground on which the parties have negotiated their interconnection agreement by determining that traffic bound for ISPs is not local traffic for reciprocal compensation purposes. The *ISP-Bound Traffic Order* also establishes a new reciprocal compensation regime to govern ISP-bound traffic — and only ISP-bound traffic—characterized by caps on per-minute rates and on the total volume of traffic entitled to reciprocal compensation. The Commission also adopted a rebuttable presumption that

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[4] MTS and WATS Market Structure, *Memorandum Opinion and Order,* 97 FCC 2d 682, 715 (1983) (adopting ESP exemption); Access Charge Reform, *First Report and Order,* 12 FCC Rcd 15982, 16134 (1997) (affirming continuation of exemption), *aff'd sub nom. Southwestern Bell Tel. Co. v. FCC,* 153 F.3d 523 (8th Cir. 1998).

[5] *See, e.g., Petition of Cox Virginia Telcom, Inc. for enforcement of interconnection agreement with Bell-Atlantic, Inc. and arbitration award for reciprocal compensation for the termination of local calls to Internet service providers*, PUC970069 (October 24, 1997).

[6] Implementation of the Local Competition Provisions in the Telecommunications Act of 1996: Intercarrier Compensation for ISP-Bound Traffic, *Order On Remand And Report And Order*, CC Docket Nos. 96-98 7 99-68, FCC 01-131 (rel. April 27, 2001) ("*ISP-Bound Traffic Order*").

traffic exchanged between LECs that exceeds a 3:1 ratio of terminating to originating traffic is ISP-bound. This new regime applies only if the incumbent LEC offers to exchange all traffic subject to Section 251(b)(5) at the same rate, as the Commission stated that it sees no basis for distinguishing the cost of transporting data calls to ISPs from that of transporting voice calls to local end-users. The *ISP-Bound Traffic Order* does not address non-ISP-bound traffic that traverses the Internet.

I.6. VZ-VA MAY NOT IMPOSE INFEASIBLE METHODS FOR DETERMINING TOLL VERSUS LOCAL TRAFFIC.

*Other pending proceedings:*

Cox is unaware of any pending proceedings before the VSCC or the Commission relating to this matter.

*Relevant authority:*

The Commission has not addressed this issue directly in any proceeding. However, under section 251(b)(5) of the Act and sections 51.701(b) and 51.703(a) of the Commission's rules, local exchange carriers are required to pay reciprocal compensation for all local calls terminated by other local exchange carriers. 47 U.S.C. § 251(b)(5); 47 C.F.R. §§ 51.701(b), 51.703(a). Further, the *First Report and Order* holds that termination is "the switching of traffic . . . at the terminating carrier's end office switch . . . and delivery of that traffic from that switch to the called party's premises." *First Report and Order,* 11 FCC Rcd at 16015. VZ-VA's proposed method of differentiating local and toll violates this requirement because the proposed method is based on something other than the location of the NPA-NXX assignment.

## III. Amended Issue I-7

(This insert replaces pages 17-18 of Cox's initial Arbitration Petition)

between LECs is local or toll should be made by comparing NPA-NXX codes. The Commission should approve the contract language proposed by Cox at Section 6 of the Statement of Unresolved Issues (Exhibit 1).

*GENERAL PRINCIPLE:*

- *The determination of local versus toll traffic is based upon the calling and called NPA-NXXs.*

I.7. VZ-VA MAY NOT REQUIRE THAT COX ENGINEER AND/OR FORECAST VZ-VA'S TRUNK GROUPS.

**NON-COMMON ISSUE**

VZ-VA seeks to force Cox to forecast VZ-VA's own outbound interconnection traffic. If adopted, this proposal would put Cox in the posture of projecting how much traffic originated by VZ-VA will be sent to Cox for termination. Traffic forecasting is a collaborative process: each party, using its own engineering data regarding its outbound demand, contributes to an overall forecast of the interconnection trunking needed between each other. VZ-VA cannot shirk its responsibilities and unilaterally impose that burden upon Cox.

In negotiations, VZ-VA has steadfastly refused to agree to forecast the traffic it will send to Cox, and has demanded instead that Cox provide VZ-VA's outbound forecast. Cox has readily agreed to provide to VZ-VA a forecast of Cox's own outbound traffic and to provide to VZ-VA information about projected fluctuations in its traffic demands. But Cox has no access to VZ-VA's engineering data that would be used to forecast VZ-VA's traffic and VZ-VA has not offered either to provide such data or to reimburse Cox's costs if Cox were to provide such an engineering service for VZ-VA. VZ-VA also has failed to furnish Cox with a compelling reason why Cox should assume VZ-VA's obligations and engineering costs to make such forecasts.

The responsibility of every LEC to forecast its outbound traffic is well understood in the telecommunications industry. In every interconnection agreement that Cox has executed with

competitive LECs and wireless service providers, the parties have all agreed to forecast their own outbound traffic. And, with the exception of VZ-VA, in every interconnection agreement Cox has executed with other ILECs, including Verizon (formerly GTE) in California and Verizon-RI (formerly Bell Atlantic) in Rhode Island, the parties have all agreed to forecast their own outbound traffic. Moreover, as recently as November of last year, Verizon freely negotiated at least one interconnection agreement in another state in which it voluntarily accepted responsibility for forecasting its own traffic. The contract language that Cox proposes here substantially matches the forecasting language that Verizon recently agreed to in this other state. It thus remains a mystery to Cox why VZ-VA now eschews this forecasting practice and instead is taking a stance with regard to Cox that is at variance with industry practice.

The Commission should not permit VZ-VA to require Cox to provide a forecast of VZ-VA's own traffic. The Commission should approve the contract language proposed by Cox at Section 7 of the Statement of Unresolved Issues (Exhibit 1).

*GENERAL PRINCIPLES: Not Applicable*

I.8. VZ-VA MAY NOT MONITOR OR AUDIT COX'S ACCESS TO AND USE OF CUSTOMER PROPRIETY NETWORK INFORMATION MADE AVAILABLE TO COX THROUGH THE INTERCONNECTION AGREEMENT.

**COMMON ISSUE**

VZ-VA is demanding that Cox allow it to monitor and audit Cox's access to and use of customer propriety network information ("CPNI") that Cox receives from VZ-VA pursuant to the interconnection agreement. As Cox understands VZ-VA's position during negotiations on this issue, VZ-VA seems concerned with its liability in a civil action arising from its grant to Cox

## IV. Amended Unresolved Issues List for Issue I-5

(This insert replaces page 10 of Cox's initial Unresolved Issues List, Exhibit 1 to Cox's Petition for Arbitration)

**I.5. Verizon may not refuse to include in the agreement an adequate description of the rates, terms and conditions applicable to the parties' implementation of the FCC's *ISP Order*, including provisions addressing the following questions:**

**(a) What provisions should the parties make for changes in the requirements of the *ISP Order* through appeal, reconsideration or other legal or regulatory action?**

**(b) Should the specific rates of compensation for ISP-bound traffic paid by the parties during the term of the renewal agreement be zero, a rate equal to the cap or a rate somewhere in between zero and the cap?**

**(c) What mechanism should be used by the parties in calculating the amount of traffic in excess of the 3:1 ratio; what data should be exchanged by the parties for use in making this calculation; what time periods should these data cover; and when should any such data exchange take place?**

**(d) Should specific terms be adopted to govern the implementation of the growth caps on compensable ISP-bound traffic, incorporating an actual number based on the parties' traffic for the first quarter of 2001, and should that cap be applied on an annual basis?**

**(e) What definitions are needed to implement the *ISP Order*?**

*COMMON ISSUE I.5 (Implementation of the ISP-Bound Traffic Order)*

*General Principles:*

- *The Parties' interconnection agreement should specifically incorporate the provisions of the ISP-Bound Traffic Order.*

| Issue | Cox Language | VZ-VA Language | Cox's Position | VZ-VA Position |
|---|---|---|---|---|
| I-5 | 5.7.7 Reciprocal Compensation for Internet Traffic<br><br>5.7.7.1 Scope<br><br>(a) This Subsection is intended to implement the FCC's Order on Remand and Report and Order in CC Docket Nos. 96-98 & 99-68, FCC 01-131, released April 27, 2001 ("ISP Order"), for any period in which the ISP Order is effective during the Term of this Agreement. The terms used in this section shall have the | 5.7.7 The Parties' rights and obligations with respect to any intercarrier compensation that may be due in connection with their exchange of Internet Traffic shall be governed by the terms of the FCC Internet Order, and other applicable FCC orders and FCC Regulations. Notwithstanding any other provision of this Agreement or any Tariff, a Party shall not be obligated to pay any intercarrier compensation for Internet Traffic that is in excess of the intercarrier compensation for Internet Traffic that such | Specific terms and conditions regarding the treatment of ISP-bound traffic must be included in the Agreement.<br><br>To avoid protracted controversy over the implementation of the FCC's ISP Order, the Agreement must contain requisite rates, terms and conditions with sufficient | The ISP-Bound Traffic Order is self-executing and a reference to it in the text of the agreement is sufficient to incorporate all its terms. |

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| | same meaning as those terms are used in the ISP Order. Additionally, as used in this Agreement, the term "Internet Traffic" shall have the same meaning as the term "ISP-bound traffic" is used in the ISP Order.<br><br>(b) The Parties agree to pay each other for terminating Internet Traffic and section 251(b)(5) traffic in accordance with the terms and conditions of this section. For purposes of this section, Internet Traffic and section 251(b)(5) traffic shall be identified in accordance with the provisions of subsection 5.7.7.3 below. | Party is required to pay under the FCC Internet Order and other applicable FCC orders and FCC Regulations. | specificity to guide the parties' activities.<br><br>Each party's new language should be crafted only to implement the ISP Order and not to introduce new issues or controversies to this proceeding. | |
| I-5(a) | 1.5.a<br><br>(c) Upon the occurrence of any one of the following conditions: (1) the ISP Order is not allowed to go into effect or is stayed after its effective date; (2) the ISP Order is revised or reversed by a court of competent jurisdiction; or (3) the ISP Order is affected by any legislative or other legal action; the Parties reserve all of their rights and remedies, including those to amend, alter, or revise this Agreement. | 5.7.4 The determination of whether traffic is Reciprocal Compensation Traffic or Internet Traffic shall be performed in accordance with Paragraphs 8 and 79, and other applicable provisions, of the FCC Internet Order (including, but not limited to, in accordance with the rebuttable presumption established by the FCC Internet Order that traffic delivered to a carrier that exceeds a 3:1 ratio of terminating to originating traffic is Internet Traffic, and in accordance with the process established by the FCC Internet Order for rebutting such presumption before the Commission).. | The Agreement's general change of law provisions (Section 27.3) are not sufficient to cover implementation of the ISP Order.<br><br>The Agreement must include specific provisions regarding the parties' rights in the event the ISP Order is stayed, reversed or otherwise affected by legislative, regulatory or legal action. | The Agreement's general change of law provisions (Section 27.3) will be sufficient to cover this need. |
| I-5(b) | 5.7.7.2 Rates<br><br>(a) For the Term of this Agreement, Reciprocal Compensation rates shown in Exhibit 1 will apply to the exchange of all 251(b)5 traffic.<br><br>(b) For the period beginning on June 14, | | Specific terms and conditions regarding the compensation rates applicable to Internet Traffic must not be excluded from the Agreement. | The ISP-Bound Traffic Order is self-executing and a reference to it in the text of the agreement is sufficient to incorporate all its terms. |

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| | 2001 and ending on December 13, 2001, the terminating Party will bill the originating Party a rate of $.0015 per minute of use (MOU) for Internet Traffic delivered to the terminating Party's Tandem and/or End Office.<br><br>(c) To the extent that this Agreement remains in effect, beginning on December 14, 2001, and ending on June 13, 2003, the terminating Party will bill the originating Party a rate of $.0010 per MOU for Internet Traffic delivered to the terminating Party's Tandem and/or End Office.<br><br>(d) To the extent that this Agreement remains in effect, beginning on June 14, 2003, and ending on June 13, 2004, the terminating Party will bill the originating Party a rate of $.0007 per MOU for Internet Traffic delivered to the terminating Party's Tandem and/or End Office.<br><br>(e) The ISP Order specifies that, in the event the FCC does not take further action within the final period during which the $.0007 per MOU rate cap will be applicable to Internet Traffic, that period will be extended until the FCC takes such further action. The Parties agree that the $.0007 per MOU rate for tandem-routed and/or End Office-routed traffic will continue in effect for Internet Traffic beyond June 13, 2004, if the FCC fails to take such further action by that date, to the extent this Agreement remains in effect during such period.<br>- - - - - - - - - -<br>Add footnotes to Exhibit A, A(I) and B(I): "See Section 5.7.7 regarding compensation for Internet Traffic." | | The Agreement must contain the specific rates applicable to compensation for ISP-bound traffic (and their timeframes). | |

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| I-5(c) | 5.7.7.3 Ratio<br><br>(a) The FCC has adopted a rebuttable presumption that traffic delivered to a carrier that exceeds a 3:1 ratio of terminating to originating traffic is Internet Traffic. Therefore, the combined Internet Traffic and section 251(b)(5) traffic shall be separated by applying a ratio factor of 3:1 until such time as either Party successfully rebuts this presumption in a proceeding conducted by a regulatory authority or court of competent jurisdiction. In the event that such a proceeding is instituted, the Parties may exercise their discovery rights pursuant to the Commission's procedures. All such traffic exchanged between the Parties up to a 3:1 ratio of terminating to originating traffic shall be deemed to be section 251(b)(5) traffic subject to the Reciprocal Compensation rates shown in Exhibit 1. Except as may be modified by subsection 5.7.7.4 below, the remainder of such traffic, i.e., all minutes exceeding the 3:1 ratio of terminating to originating traffic, shall be deemed to be Internet Traffic subject to the rates established in subsection 5.7.7.2 above. In the event that a regulatory authority or court of competent jurisdiction enters a final order establishing a different ratio factor for the separation of Internet Traffic and section 251(b)(5) traffic that is applicable to this Agreement, the Parties agree that such different ratio factor shall be substituted for the 3:1 ratio factor for purposes of implementing this section. Unless such final order specifies a different effective date for the different ratio factor, such substitution should become effective | 5.7.4 The determination of whether traffic is Reciprocal Compensation Traffic or Internet Traffic shall be performed in accordance with Paragraphs 8 and 79, and other applicable provisions, of the FCC Internet Order (including, but not limited to, in accordance with the rebuttable presumption established by the FCC Internet Order that traffic delivered to a carrier that exceeds a 3:1 ratio of terminating to originating traffic is Internet Traffic, and in accordance with the process established by the FCC Internet Order for rebutting such presumption before the Commission).<br><br>- - - - - - - - -<br><br>5.7.8 In addition to those audit rights provided in Section 5.7.5 above, Verizon may conduct audits of the traffic billed as Reciprocal Compensation Traffic to determine whether such traffic is Reciprocal Compensation Traffic and therefore subject to Reciprocal Compensation. If any such traffic is determined not to be Reciprocal Compensation Traffic, Verizon shall not pay Reciprocal Compensation for that portion which is determined not to be Reciprocal Compensation Traffic. | The Agreement must ultimately contain the specific mechanism used by the parties for calculating the 3:1 ratio to identify ISP-bound traffic, including the types of data exchanged and the timeframes for such exchange. To the extent the specific mechanisms and timeframes are not yet developed by the parties, principles to guide their development must be included in the Agreement.-<br>- - - - - - - - -<br><br>The Parties had agreed to a provision that granted both the right to two audits per year. However, Verizon now proposes that it – and only it – should have the right to conduct unlimited audits to determine whether Cox is billing reciprocal compensation traffic properly. Such a provision is not needed in view of the agreed-to provision.<br><br>Additionally, Verizon's audit right proposal is wrongfully biased in Verizon's favor since it would grant Verizon unilateral power that is unavailable to Cox. | The ISP-Bound Traffic Order is self-executing and a reference to it in the text of the agreement is sufficient to incorporate all its terms. |

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| | on the effective date of such final order.<br><br>(b) In order that the Parties may calculate the balance of Local and Internet Traffic exchanged, the Parties agree to establish and implement a separate process ("Internet Ratio Calculation & Billing Process"), which shall be incorporated into this Agreement by amendment no later than 90 days following the Effective Date of this Agreement. The Parties agree that the following principles will govern the Internet Ratio Calculation & Billing Process: (i) Verizon and Cox shall, at an agreed-to interval following the end of the Parties' billing cycle(s), exchange billing summaries that include the total minutes of combined Local and Internet Traffic received from the other Party and accumulated during an agreed-to period of time; (ii) the billing summary shall include the cumulative minutes of use associated with every call in which the calling and called party's NPA-NXX (or LNP-equivalent identifier) are located within the local calling area and any mandatory expanded area service, as defined by Verizon's tariffs; (iii) following each Party's calculation of the ratio, the Parties shall bill one another for their exchange of Local Traffic in accordance Section 5.7.1, and Cox will bill Verizon for its delivery of Internet Traffic according to this Section 5.7.7; and (iv) the Parties agree to make the Internet Ratio Calculation & Billing Process retroactive to the Effective Date of this Agreement | | While alleging that it needs this unilateral audit right to determine the accuracy of Cox's bills, Verizon has failed to work with Cox to develop a mechanism to identify the traffic to be billed as reciprocal compensation. | |
| I-5(d) | 5.7.7.4 Cap on Total Internet Traffic Minutes | | Specific terms and conditions regarding the growth caps applicable to | The ISP-Bound Traffic Order is self-executing and a reference to it in the text |

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| | (a) For Internet Traffic exchanged during the year 2001, and to the extent this Agreement remains in effect during that year, compensation at the rates set out above shall be billed by the terminating Party to the originating Party on Internet Traffic minutes only up to a ceiling equal to, on an annualized basis, the number of Internet Traffic minutes for which the terminating Party was entitled to compensation during the first quarter of 2001, plus a ten percent growth factor. The Parties agree that the number of Internet Traffic minutes for which the terminating Party was entitled to compensation during the first quarter of 2001 is _____. Therefore, the cap for total Internet Traffic minutes for 2001, expressed on an annualized basis, is _____, which is calculated by multiplying the first quarter total by four and increasing the result by ten percent.<br><br>(b) For Internet Traffic exchanged during the year 2002 and to the extent this Agreement remains in effect during that year, compensation at the rates set out above shall be billed by the terminating Party to the originating Party on Internet Traffic minutes only up to a ceiling equal to the number of Internet Traffic minutes for which the terminating Party was entitled to compensation in 2001, plus a ten percent growth factor. The Parties agree that the cap for total Internet Traffic minutes number of Internet Traffic minutes for which the terminating Party is entitled to compensation in 2002 is _____, which is calculated by increasing the cap for total Internet Traffic | | ISP-bound traffic must not be excluded from the Agreement.<br><br>The Agreement must contain specific terms regarding implementation of the growth caps on compensable ISP-bound traffic, including the actual baseline cap applicable to 2001. | of the agreement is sufficient to incorporate all its terms. |

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| | minutes for 2001 by ten percent.<br><br>(c) For Internet Traffic exchanged during the year 2003 and to the extent this Agreement remains in effect during that year, compensation at the rates set out above shall be billed by the terminating Party to the originating Party only on Internet Traffic minutes up to the year 2002 cap determined in subsection 5.7.7.4(b) above.<br><br>(d) The cap will be applied on an annual basis. The terminating Party shall bill the originating Party monthly for all Internet Traffic received until the annual cap is reached, at which point, the terminating Party will cease further billing of Internet Traffic for the remainder of that calendar year.<br><br>(e) The minutes of Internet Traffic that exceed the ceiling established for each year shall be exchanged by the Parties on a bill and keep basis, without compensation being paid on such excess minutes by either Party. | | | |
| 1-5(e) | 1.0 Definitions:<br><br>1.36 "Internet Traffic" shall have the same meaning, when used in this Agreement, as the term "ISP-bound traffic" is used in the FCC's Order on Remand and Report and Order in CC Docket Nos. 96-98 & 99-68, FCC 01-131, released April 27, 2001. Generally speaking, "Internet Traffic" refers to telecommunications traffic delivered to Internet service providers.<br>- - - - - - - - - -<br>1.39 "Local Traffic" means traffic that is | 1.0 Definitions<br><br>1.25a "Extended Local Calling Scope Arrangement" means an arrangement that provides a Customer a local calling scope (Extended Area Service, "EAS"), outside of the Customer's basic exchange serving area. Extended Local Calling Scope Arrangements may be either optional or | The Agreement must contain specific terms regarding implementation of the growth caps on compensable ISP-bound traffic, including the actual baseline cap applicable to 2001.<br><br>The Agreement must contain specific definitions for implementing the FCC's ISP Order to prevent | VZ-VA has not disclosed its position or its intentions with regard to the majority of its proposed definitions. |

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| | originated by a Customer of one Party on that Party's network and terminates to a Customer of the other Party on that other Party's network, within a given local calling area, or mandatory expanded area service ("EAS") area (based on the rate center point of the originating and terminating NPA-NXXs of the callers), as defined in Verizon's effective Customer tariffs, or, if the Commission has defined local calling areas applicable to all LECs, then as so defined by the Commission. Local Traffic does not include any Internet Traffic (as such term is hereinafter defined). Generally speaking, the term "Local Traffic" shall have the same meaning, when used in this Agreement, as the term "251(b)(5) traffic" is used in the FCC's Order on Remand and Report and Order in CC Docket Nos. 96-98 & 99-68, FCC 01-131, released April 27, 2001.<br>- - - - - - - - - -<br>1.52 "Percent Local Usage" or "PLU" is a factor that distinguishes the intraLATA, intrastate portion of minutes from the interLATA, intrastate portion of minutes of traffic exchanged via Traffic Exchange Trunks. PLU is a whole number developed through consideration of every call in which the calling and called party are located within the same Rate Center Area. The PLU factor is applied to traffic only after the PIU factor has been applied for jurisdictional separation of traffic. The PLU factor is applied to traffic before a ratio is applied to identify Internet Traffic minutes.<br>- - - - - - - - - -<br>Modify various instances of "Local Traffic" by adding "Internet Traffic" in the | non-optional. "Optional Extended Local Calling Scope Arrangement Traffic" is traffic that under an optional Extended Local Calling Scope Arrangement chosen by the Customer terminates outside of the Customer's basic exchange serving area.<br><br>1.26a "FCC Internet Order" means the FCC's Order on Remand and Report and Order, *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Intercarrier Compensation for ISP Bound Traffic*, FCC 01-131, CC Docket Nos. 96-98 and 99-68 (adopted April 18, 2001).<br><br>1.29a "Information Access" means the provision of specialized exchange telecommunications services in connection with the origination, termination, transmission, switching, forwarding or routing of telecommunications traffic to or from the facilities of a provider of information services.<br><br>1.36 "Internet Traffic" means any traffic that is transmitted to or returned from the Internet at any point during the duration of the transmission.<br><br>1.41a "Measured Internet Traffic" means dial-up, switched Internet Traffic originated by a Customer of one Party on that Party's network at a point in a Verizon local calling area, and delivered to a Customer or an Internet Service Provider served by the other Party, on that other Party's network at a point in the same Verizon local calling area. Verizon local calling areas shall be as defined in Verizon's effective Customer Tariffs (including, but not limited to, to the | inconsistency and to promote clarity.<br><br>To ensure understanding and add clarity, the definition for "Internet Traffic" should incorporate reference to the ISP Order as well as the FCC's use of "ISP-bound traffic."<br><br>To ensure understanding and add clarity, the definition for "Local Traffic" should incorporate reference to the ISP Order as well as the FCC's use of "251(b)(5) traffic."<br><br>To ensure understanding and add clarity, the definition for "Local Traffic" should incorporate reference to Verizon's mandatory local calling areas.<br><br>To ensure understanding and add clarity, the definition of PLU should include instruction as to its relationship to other jurisdictional factors applied to minutes of use.<br><br>Verizon proposes a definition of "Internet Traffic" and a usage of that term in the Agreement that depart widely from the | |

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| | following subsections: 1.7.1; 4.4.3; 5.6.1.1; 5.6.1.2; 5.6.2; 17.1.2; Sched. 4.2 (1) and (5). | extent applicable, Verizon Tariffs S.C.C.-Va.-Nos. 201 and 202). For the purposes of this definition, a Verizon local calling area includes a non-optional Extended Local Calling Scope Arrangement, but does not include an optional Extended Local Calling Scope Arrangement. Calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXXX) basis, are not considered Measured Internet Traffic.<br><br>1.60 "Reciprocal Compensation" means the arrangement for recovering, in accordance with Section 251(b)(5) of the Act, the FCC Internet Order, and other applicable FCC orders and FCC Regulations, costs incurred for the transport and termination of Reciprocal Compensation Traffic originating on one Party's network and terminating on the other Party's network (as set forth in subsection 5.7).<br><br>1.60a "Reciprocal Compensation Traffic" means Telecommunications traffic originated by a Customer of one Party on that Party's network and terminated to a Customer of the other Party on that other Party's network, except for Telecommunications traffic that is interstate or intrastate Exchange Access, Information Access, or exchange services for Exchange Access or Information Access. Reciprocal Compensation Traffic does not include: (1) any Internet Traffic; (2) Toll Traffic, including, but not limited to, calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXXX) basis; (3) Optional Extended Local Calling Arrangement Traffic; (4) special access, private line, | Commission's usage of the term "ISP-bound traffic" in the *ISP-Bound Traffic Order*; Verizon's usage would expand the requirements of the ISP Order to apply to IP telephony. | |

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| | | Frame Relay, ATM, or any other traffic that is not switched by the terminating Party: or, (5) Tandem Transit Traffic.<br><br>1.71 "Toll Traffic" means traffic that is originated by a Customer of one Party on that Party's network and terminates to a Customer of the other Party on that Party's network and is not Reciprocal Compensation Traffic, Measured Internet Traffic or Ancillary Traffic. Toll Traffic may be either "IntraLATA Toll Traffic" or "InterLATA Toll Traffic," depending on whether the originating and terminating points are within the same LATA.<br><br>1.71a "Traffic Factor 1" means a percentage calculated by dividing the number of minutes of interstate traffic (excluding Measured Internet Traffic) by the total number of minutes of interstate and intrastate traffic. ([Interstate Traffic Total Minutes of Use {excluding Measured Internet Traffic Total Minutes of Use} ÷ {Interstate Traffic Total Minutes of Use + Intrastate Traffic Total Minutes of Use}] x 100). Until the form of a Party's bills is updated to use the term "Traffic Factor 1," the term "Traffic Factor 1" may be referred to on the Party's bills and in billing related communications as "Percent Interstate Usage" or "PIU." [Verizon proposes to delete Cox's definition of PIU at 1.51.]<br><br>1.71b "Traffic Factor 2" means a percentage calculated by dividing the combined total number of minutes of Reciprocal Compensation Traffic and Measured Internet Traffic by the total number of minutes of intrastate traffic. ([{Reciprocal Compensation Traffic Total | | |

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| | | Minutes of Use + Measured Internet Traffic Total Minutes of Use} ÷ Intrastate Traffic Total Minutes of Use] x 100). Until the form of a Party's bills is updated to use the term "Traffic Factor 2," the term "Traffic Factor 2" may be referred to on the Party's bills and in billing related communications as "Percent Local Usage" or "PLU." [Verizon proposes to delete Cox's definition of PLU at 1.51.]<br><br>Modify various instances of "Local Traffic" by substituting "Reciprocal Compensation" and/or "Measured Internet Traffic" in the following subsections: 1.30; 1.71; 4.2.1; 4.2.2; 4.2.3; 4.4.3; 5.5; 5.6.1.1; 5.6.1.2; 5.6.2; 5.7.1; 10.3.2; 17.1.2; Sched 4.2; Exhibit A. | | |

## IV. Amended Unresolved Issues List for Issue I-7

(This insert replaces pages 12 and 13 of Cox's initial Unresolved Issues List, Exhibit 1 to Cox's Petition for Arbitration)

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| I.7.1 | 10.3.1 The Parties will develop joint non-binding forecasting of trunk groups in accordance with this Section 10.3. Intercompany forecast information must be provided by the Parties to each other twice a year. The semi-annual forecasts will include:<br><br>(a) yearly forecasted trunk quantities for no less than a two-year period (current year, plus one year); and<br><br>(b) the use of (i) CLCI-MSG codes, which are described in Telcordia Technologies document BR 795-100-100; (ii) circuit identifier codes as described in BR 795-400-100; and (iii) Trunk Group Serial Number (TGSN) as described in BR 751-100-195.<br><br>10.3.2 Descriptions of major network projects that affect the other Party will be provided with the semi-annual forecasts provided pursuant to Section 10.3.1. Major network projects include but are not limited to trunking or network rearrangements, shifts in anticipated traffic patterns, or other activities by either Party that are reflected by a significant increase or decrease in trunking demand for the following forecasting period. Cox shall notify Verizon promptly of changes greater than ten percent (10%) to current forecasts (increase or decrease) that generate a shift in the demand curve for the following forecasting period.<br><br>10.3.3 Parties will meet to review and reconcile their forecasts if their respective forecasts differ significantly from one another.<br><br>10.3.4 At least once a year the Parties shall | 10.3.1 Trunk Administration. For Traffic Exchange Trunk groups, Cox will be responsible for monitoring traffic loads and service levels on the one-way trunk groups carrying traffic from Cox to VZ-VA; and VZ-VA will be responsible for monitoring traffic loads and service levels on the one-way trunk groups carrying traffic from VZ-VA to Cox. Cox will determine the sizing and timing of new trunk groups and trunk group additions for trunk groups carrying traffic from Cox to VZ-VA. VZ-VA will determine the sizing and timing of new trunk groups and trunk group additions for trunk groups carrying traffic from VZ-VA to Cox. When Cox is aware of unusual events affecting the volume of traffic and required trunks in either direction (*e.g.*, Cox signs up a new Information Services Provider), Cox will contact VZ-VA to plan and implement (if necessary) new trunk groups and trunk group additions.<br><br>10.3.2 Trunk Forecasts. Within ninety (90) days of the Effective Date, Cox shall provide VZ-VA a two (2) year traffic forecast of all Traffic Exchange Trunk groups over the next eight (8) quarters in accordance with the VZ-VA CLEC Interconnection Trunking Forecast Guide. Because the Customer segments and service segments within Customer segments to whom Cox markets its services are the most significant factors affecting the number of trunks needed to handle traffic volume in both directions, the Cox trunk forecast will include trunk groups carrying traffic from Cox to VZ-VA, and trunk groups carrying traffic from VZ-VA to Cox. Cox's forecast shall be updated and provided to VZ-VA on an as- | Cox refuses to forecast VZ-VA's outbound traffic for VZ-VA; Cox hasn't the tools (e.g., engineering data) to do so; and Cox will not take on the additional expense of doing VZ-VA's engineering tasks.<br><br>VZ has volunteered to accept its responsibility to forecast its own out-bound traffic in at least one agreement with another LEC in other state as of November 2000; Cox's proposal is consistent with that agreement.<br><br>Cox's proposal is consistent with industry practice and is consistent with VZ-VA's negotiated agreements with Cox in two other states. | VZ-VA refuses to forecast its own out-bound traffic and wants Cox to engineer and forecast VZ-VA's interconnection with Cox. |

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| | exchange trunk group measurement reports for trunk groups terminating to the other Party's network. In addition and from time to time, each Party will determine the required trunks for each of the other Party's trunk groups from the previous twelve (12) months servicing data. Required trunks will be based on the appropriate grade of service standard (B.01 or B.005) or the Joint Interconnection Grooming Plan referenced in Section 10.1. When a condition of excess capacity is identified, Verizon will facilitate a review of the trunk group existing and near term (3 to 6 months) traffic requirements with Cox for possible network efficiency adjustment.<br><br>10.3.5The Parties will establish periodic review | needed basis but no less frequently than semiannually. Cox's forecast shall include, at a minimum, Access Carrier Terminal Location ("ACTL"), traffic type (Local Traffic/Toll Traffic, Operator Services, 911, etc.), code (identifies trunk group), A location/Z location (CLLI codes for Cox-IP's and VZ-VA-IP's), interface type (*e.g.*, DS1), and trunks in service each year (cumulative). VZ-VA agrees that such forecasts shall be subject to the confidentiality provisions defined in Section . | | |

Respectfully submitted,

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September 18, 2001

## CERTIFICATE OF SERVICE

I, Vicki Lynne Lyttle, hereby certify that a true and correct copy of the foregoing Data Requests was sent on this 18th day of September, 2001, via overnight delivery service to the following:

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